

008/24/11

BEFORE THE SOUTH CAROLINA  
PUBLIC SERVICE COMMISSION

In the Matter of the Application of )  
 )  
 **Netwolves Network Services, LLC** )  
 )  
 To Provide Resold Interexchange )  
 Telecommunications Services )  
 Throughout the State of South Carolina and for )  
 Alternative Regulation )

Docket No. 2011-\_\_-C

**MOTION FOR PROTECTIVE TREATMENT AND  
BASIS FOR FILING EXHIBIT 4 AS TRADE SECRET**

Netwolves Network Services, LLC (“Netwolves” or “Applicant”),  
pursuant to S.C. Code Ann. § 39-8-10, *et seq.*, S.C. Code Ann. Regs. 103-804(Y)(2), hereby  
files this Motion for Protective Treatment (“Motion”) in the above-captioned proceeding. By  
this Motion, Netwolves seeks protective treatment by the South Carolina Public Service  
Commission (“Commission”) of certain commercially-sensitive financial information attached as  
**Exhibit 4**, filed as Trade Secret to Netwolves’s Application for Authority to Provide  
Competitive Interexchange Telecommunications Services.

Because this Motion is an inseparable part of Netwolves’s Application, it is being filed  
concurrently therewith.

In support of this Motion, Applicant provides the following:

In support of its application, Netwolves respectfully submits as follows:

1. The legal name, address, telephone and fax number of the Applicant are:

Netwolves Network Services, LLC  
4710 Eisenhower Boulevard, Suite E8  
Tampa, FL 33634-6336  
Telephone: (813)579-3200  
Facsimile: (212)882-0209

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2. All correspondence, notices, inquiries, and other communications regarding this Motion should be addressed to:

Gina Wybel, CPA.  
Netwolves Network Services, LLC  
4710 Eisenhower Blvd, Suite E8  
Tampa, SC 33634-6336  
Telephone: (813) 579-3200  
Facsimile: (813) 882-0209  
gina.wybel@netwolves.com

with copies to:

Chris Denny  
Netwolves Network Services, LLC  
4710 Eisenhower Blvd, Suite E8  
Tampa, FL 33634-6336  
Telephone: (813) 579-3224  
Facsimile: (813) 882-0209  
christopher.denny@netwolves.com

## **I. Description of Confidential Information**

The Application requires Applicant to disclose evidence of its financial ability to provide service by submitting documentation of its financial resources. Pursuant to this requirement, Netwolves is submitting copies of its financial statements. These documents contain highly confidential and strictly proprietary information, the public disclosure of which would result in direct, immediate and substantial harm to Netwolves's competitive position in South Carolina and in other states where Netwolves is currently doing business.

## **II. Grounds for Claim of Confidentiality**

The financial information submitted by Netwolves in **Exhibit 4** of its Application fits squarely within the definition of a "trade secret" under the South Carolina Trade Secrets Act.<sup>1</sup> As a privately-held company, Netwolves's financial qualifications are not readily ascertainable.

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<sup>1</sup> A "trade secret" is defined in S.C. Code § 39-8-20(5)(a) as information that "(i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by the public...and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy."

Netwolves currently has no legal obligation to prepare or submit projected financial statements, or to report any financial information to a public entity. Further, the unavailability of this information derives independent economic value for Netwolves because the disclosure of such information would jeopardize Netwolves's relationship with its investors and harm

Netwolves's ability to compete in the provision of advanced telecommunications services in South Carolina. Netwolves is not a public corporation and its financial and business information is uniquely sensitive.

Netwolves takes considerable efforts to maintain the secrecy of the information contained in its financial statements. Financial information of this type is not publicly disseminated, and Netwolves takes reasonable steps to guard this information internally as well. Its disclosure is limited to Netwolves's senior officers, Netwolves's counsel and employees of the company who are directly involved with Netwolves's financial operations. Furthermore, when required to submit financial information to public authorities, all such information is clearly stamped "confidential" and is accompanied by formal requests to maintain the confidentiality of the information and to withhold it from public disclosure.

Netwolves clarifies that its request for protection applies only to the financial information contained in **Exhibit 4** to the Application. Netwolves is not seeking protection of any type by means of this Motion for those reports Netwolves will be required to file with the Office of Regulatory Staff ("ORS") should the relief sought in the Application be granted: the Annual Report Form, Gross Receipts Report, or the Universal Service Fund Worksheet.

### **III. Conclusion**

The financial information included in support of Netwolves's Application, for which confidential treatment is requested, is both proprietary and competitively sensitive. Netwolves would suffer substantial direct harm if such information is made publicly available. The harm

that would result from public disclosure of Netwolves's financial information is real and not speculative. Moreover, to date, no other jurisdiction has required Netwolves to make its financial information publicly available. For the foregoing reasons, the financial information included in **Exhibit 4** should be protected from public disclosure by the Commission.

WHEREFORE, Netwolves respectfully requests that the information contained in **Exhibit 4** of Netwolves's Application for a Certificate of Public Convenience and Necessity be ruled exempt from public disclosure and provided confidential treatment in accordance with S.C. Code Ann. § 39-8-10, *et seq.*

Respectfully submitted,

**Netwolves Network Services, LLC**

Gina Wybel, CPA.

**Netwolves Network Services, LLC**

4710 Eisenhower Blvd, Suite E8

Tampa, FL 33634-6336

Telephone: (813) 579-3200

Facsimile: (813) 882-0209

August 8, 2011